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## Country programme document for Malaysia (2016-2020)

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Results and resources framework for Malaysia (2016-2020)

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## I. Programme rationale

1. Malaysia, an upper-middle-income South-East Asian country with a population of 30 million,[1] is ranked 62 out of 187 countries on the human development index (HDI) 2013. Its HDI score of 0.773 is above the global average of 0.735 for high human development countries and above the regional average of 0.703 for East Asia and the Pacific.[2]

2. *Millennium Development Goals (MDGs) 2015.* Malaysia allocates up to 30 per cent of its five-year national plan budgets to the social sector,[3] demonstrating its strong commitment to human development. The country has met almost all of the MDG targets at the aggregate level, and is making relative progress on the unachieved targets in MDG 4.[4] It actively supports MDG 8 on the global partnership for development, with over 80 national institutions providing capacity-building programmes to policy makers from 140 countries and policy advisory missions in over a dozen developing countries.[5]

3. *Economic outlook 2016-2020.* Gross domestic product (GDP) growth averaged 4.7 per cent from 2000 to 2014 and is expected to expand at 5 per cent annually from 2015 to 2020,[6] driven by resilient domestic demand amid moderate exports. Malaysia has narrowed its fiscal deficit to 3.5 per cent and has set a target of a balanced budget by 2020,[7] with inflation capped at 3 per cent.[8] Fiscal priorities moving forward include managing the downside risk arising from declining and fluctuating global crude oil prices, which funds up to 31 per cent of total government revenue, and more than $11 billion for development-oriented subsidies and social protection programmes.

4. *Inequalities, social mobility and resilience.* Malaysia has notably achieved the MDG 1 goal of halving poverty, from 17 per cent in 1990 to less than 1 per cent in 2015; it has also reduced its national rural-urban poverty gap from 14 per cent in 1990 to 2.4 per cent in 2012[9] and has a low unemployment rate of 2.9 per cent.[10] However, in spite of a 188 per cent increase in gross national income (GNI) per capita (2011 purchasing power parity) over the last three decades to $21,824,[11] the Gini coefficient has declined only 15 per cent from 0.51 in 1970 to 0.401 in 2014,[12] and has not substantially improved over the last two decades. The median household income of 4,585 Malaysian ringgits[13] and the relatively small middle class of 20 per cent of total households underscore the insufficiency of social mobility and redistribution of wealth. Insufficient household savings and disposable income place significant demands on the Government's development-oriented subsidy regimes and socioeconomic programmes targeted for the bottom 40 per cent of the income decile.[14] In light of global economic uncertainty, the fiscal rationalization and consolidation of the various social protection programmes are critical to mitigate the adverse impacts of the rising cost of living.[15]

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[1] Department of Statistics Malaysia, *Overview*. Accessed on 29 May 2015. http://www.statistics.gov.my.
[2] UNDP. 2014. *Human Development Report 2014: Sustaining Human Progress: Reducing Vulnerabilities and Building Resilience*. New York: UNDP.
[3] United Nations country team-Malaysia and Government of Malaysia. 2011. *Malaysia: Millennium Development Goals at 2010*, Kuala Lumpur: United Nations country team.
[4] _____. 2015. *Draft Malaysia MDG Report 2015*. Kuala Lumpur: United Nations country team – unpublished as of preparation of country programme document.
[5] _____. 2015. Ibid, p. 166.
[6] Economic Planning Unit. *Economic Snapshot*. Accessed on 29 May 2015. http://www.epu.gov.my.
[7] Statement By Dato' Seri Ahmad Husni Hanadzlah, Minister Of Finance II at the G20 Finance Ministers and Central Bank Governors Meeting, Istanbul, Turkey on 10 February 2015. Accessed on 29 May 2015. http://www.treasury.gov.my/pdf/ucapan/2015/g20.pdf.
[8] Central Bank of Malaysia. *Key Figures at a Glance*. Accessed on 29 May 2015. http://www.bnm.gov.my.
[9] United Nations country team and Government of Malaysia. 2015. Ibid, p. 10.
[10] Central Bank of Malaysia. *Key Figures at a Glance*. Accessed on 29 May 2015. http://www.bnm.gov.my
[11] The Government, however, utilizes the measure of GNI per capita (Atlas method), of $10,426 in 2014 and aims to attain $15,000 by 2020. Accessed on 29 May 2015. http://www.treasury.gov.my.
[12] Economic Planning Unit. *11th Malaysia Plan*. Accessed on 29 May 2015. http://www.epu.gov.my.
[13] Equivalent of $1,288.
[14] UNDP country office-Malaysia (UNDP Malaysia). 2014. *Malaysia Human Development Report: Redesigning An Inclusive Future*. Kuala Lumpur: UNDP Malaysia.
[15] The development-oriented subsidies encompass transportation, energy, education, health and essential goods. They also include unconditional cash transfer programmes to more than seven million beneficiaries in 2015. Accessed on 29 May 2015. http://bantuanrakyat1malaysia.com/about/.

5. *Rapid urban growth and population dynamics.* Rapid development growth has resulted in economic and spatial restructuring, manifested in the transition from a semi-mature manufacturing industry to a burgeoning services industry, which has grown from 46.8 per cent of GDP in 2005 to 55.3 per cent in 2014.[16] Urbanization is projected at an average rate of 0.8 per cent from 2015 to 2020, with 78 per cent of the population living in urban settings by 2020.[17]

6. *Spatial disparities and group vulnerabilities.* While rapid economic growth has spatially reconfigured urban agglomerations and improved the standard of living and overall well-being, development attainments are uneven across subnational levels. In 2014, five of the 13 states contributed to 75 per cent of economic growth and four states averaged half the national GDP per capita.[18] Across a range of socioeconomic indicators, spatial disparities prevail, most notably in East Malaysia, which trails the rural regions on Peninsular Malaysia. Notably, indigenous communities in East Malaysia and indigenous communities (Orang Asli) in Peninsular Malaysia have higher poverty incidences[19] and multidimensional vulnerabilities than the national averages.[20]

7. *Gender inequalities and women's empowerment.* Malaysia is ranked at 91 out of 146 countries on the 2013 gender development index with a score of 0.935.[21] Despite the strong commitment of gender equality programmes since 1989 and women's enrolment at 60 per cent in tertiary education,[22] women's lower economic participation and wage disparities, especially within professional occupations[23] – along with their limited command of economic resources and their underrepresentation in decision-making bodies in Parliament and state legislative assemblies[24] (attributable to the complex interplay of cultural and socioeconomic factors constraining women's empowerment and exacerbating gender inequalities[25])— need to be addressed holistically. In addition, single parent headed households in urban areas, including single mothers with children, have higher levels of socioeconomic vulnerabilities.[26]

8. *Contestations of environmental sustainability and decentralized economic growth.* Malaysia is currently on track to meet its voluntary commitment to its reduce carbon emissions intensity by 40 per cent from 2005 levels by 2020, and it holds aspirations to be a leader in the new global economy by increasing economic value, new green industries and jobs. However, the country's present economic growth and development pathway faces competing pressures in meeting its development and sustainability objectives, seen clearly through its increasing ecological footprint, rapid depletion of natural resources (particularly the loss of biodiversity and ecosystem resilience), negative environmental impacts and growing exposure to recurrent localized disasters (for example, floods, landslides, and droughts) and higher costs of disaster recovery and rebuilding. Rapid urbanization exacerbates these pressures.

[16] UNDP Malaysia. 2014. Ibid, p. 170.
[17] UNDP Malaysia. 2014. Ibid, p. 278.
[18] Department of Statistics, *GDP by State (2008-2013).* Accessed on 29 May 2015. http://www.statistics.gov.my.
[19] The incidence of poverty rate in 2014 for Sabah (8.1 per cent), Sarawak (2.7 per cent) and among Orang Asli (25 per cent) as cited in United Nations country team and Government of Malaysia. 2015. Ibid, p. 10.
[20] UNDP Malaysia. 2014. Ibid, p. 222.
[21] UNDP. 2014. Ibid, p. 177.
[22] United Nations country team and Government of Malaysia. 2015. Ibid, p. 65.
[23] Female labour force participation is at 53.6 per cent in contrast to 81 per cent for men. The female per male earnings ratio for all occupations is 0.69 at the 10th percentile, compared to 0.86 at the median and at the 90th percentile, suggesting that the ability of upward mobility to actually narrow the earnings gap is limited. UNDP Malaysia. 2014. Ibid, p. 163.
[24] Representation in Parliament and state legislative assemblies is at 10 and 11 per cent, respectively, and 16 per cent for boardroom positions in public company boards and 10.3 per cent in public listed boards. United Nations country team and Government of Malaysia. 2015. Ibid, p. 73.
[25] Ministry of Women, Family and Community Development. 2014. "Study to support the development of national policies and programmes to increase and retain the participation of women in the Malaysian labour force: Key findings and recommendations – A Ministry of Women, Family and Community Development and United Nations Development Programme Project." Kuala Lumpur: Ministry of Women, Family and Community Development.
[26] Ministry of Women, Family and Community Development. 2014. Ibid. P 25.

9. To a certain extent, there has been limited and ad hoc progress in some sectors, in embedding sustainability objectives and strategies into state and local level economic and environmental development plans, reflecting the continuing challenges of federal-state jurisdiction over land matters, management of natural resources and spatial development versus state-led economic development aspirations.[27]

10. *Strategic support to national development priorities.* The assessment of development results report, 2008-2014 (ADR)[28] concluded that UNDP has been a dependable, trusted and responsive development partner and has supported the acceleration of development results in selected sectors through its upstream policy advisory oriented programme portfolio. UNDP is viewed as a thought leader on inclusive growth, human development and equity issues and its interventions on the environment, energy and climate change have contributed to better governance and conservation of the country's natural capital. UNDP support to the development of policies and regulatory frameworks, institutional capacity building, and alternative livelihoods programmes at the community level have influenced national strategies for the reduction of poverty and social exclusion; and its engagement of local industries, particularly in the energy sector, have enabled the private sector to contribute positively to the country's sustainable energy development goals. UNDP is also widely acknowledged for its technical support and inputs to the Government in the development of the Eleventh Malaysia Plan: 2016-2020.

11. The ADR, however, noted that while UNDP made specific contributions to gender equality and women's socioeconomic and political empowerment, the agenda has not been adequately mainstreamed across the programme portfolio and would benefit from an internal institutional gender strategy and sector-wide, gender-disaggregated data and analysis. The ADR noted that although a dedicated outcome in the previous two country programmes focused on South-South cooperation, the results achieved have been limited to capacity building and knowledge sharing – such as strengthening the institutional capacities of national training institutions to develop, implement and finance thematic capacity-building programmes targeted at developing countries; building platforms to enable global sharing of knowledge; and facilitating bilateral technical cooperation – rather than at a strategic level, which would contribute to significantly positioning Malaysia within the larger global partnership for development.

12. *Development actors in Malaysia:* the proposed *United Nations Strategic Partnership Framework: 2016-2020* (UNSPF) is expected to form the agreed guiding framework for coordinated United Nations system support to national development priorities outlined in the Eleventh Malaysia Plan. Given the country's upper middle-income status, the presence of international development partners is minimal, with the exception of a small number of countries that have long-standing bilateral technical partnerships with the Government. In recent years, civil society organizations, think-tanks and the private sector have emerged as active non-state development actors in development policy research, analysis and discourse, as well as in self-financing and in implementing community development programmes. However, strategic collaborative engagements with the Government have been limited, ad hoc and unable to fully leverage the full potential that exists to supplement and accelerate the national development agenda.[29]

## II. Programme priorities and partnerships

13. *Development priorities towards 2020* Malaysia's development priorities, outlined in the Eleventh Malaysia Plan announced on 21 May 2015, seeks to enable the transition towards a

[27] United Nations country team and Government of Malaysia. 2015. Ibid. p. 175.
[28] UNDP. 2015. "Assessment of development results: Malaysia (2008-2014)". New York: UNDP.
[29] Outlined as "Public-private and non-governmental organisation partnership -- resource sharing and collaboration", in the *Six Principles of People-Oriented Civil Service*. Prime Minister's Office. *News Highlights*. Accessed on 29 May 2015. http://www.pmo.gov.my.

high-income, inclusive and sustainable economy, as envisioned in its Vision 2020.[30] The six key priority 'thrusts' are: (a) enhancing inclusiveness towards an equitable society; (b) improving well-being for all; (c) accelerating human capital development for an advanced nation; (d) pursuing green growth for sustainability and resilience; (e) strengthening infrastructure to support economic expansion; and (f) re-engineering economic growth for greater prosperity.

14. *Country programme theory of change.* The design of the country programme builds on the extensive research and analysis around a transformative agenda undertaken during the preparation of the Eleventh Malaysia Plan. It is premised on the understanding that the development pathway, as envisioned by the Government and its citizens, demands UNDP focus on deepening multi-dimensional analysis and evidence-based policy making; enabling the public service to strengthen its effectiveness and accountability in designing, financing, implementing and monitoring socioeconomic, environmental and spatial transformation programmes; enhancing the voice and participation of the citizens in co-owning and designing the development agenda; and increasing the role and space for innovative, strategic engagement with non-state development actors to support the acceleration of the pace of development at the subnational levels and among vulnerable communities. UNDP will apply these essential approaches across results areas aligned to nationally identified 'game changers' for realizing the country's transformative agenda.

15. By strategically leveraging the ADR report engagement consultations in February 2015, UNDP ensured that the design of the country programme benefited extensively from in-depth inputs from a range of national stakeholders on what should be the thematic prioritization are for 2016-2020. The strategic thematic thrust agreed with the Government is to place the sustainable human development agenda at the forefront, underpinned by two outcomes/priorities: (a) inclusive development and growth; and (b) sustainable and resilient development. Through an issues-based approach, the programme will contribute primarily to the UNDP strategic plan outcome 1, with supplementary contributions to outcomes 4 and 7.

16. *Programme approach.* The core programmatic strategy centres on strengthening a whole-of-government approach and enhancing inter-institutional coordination and policy coherence while deepening thematic technical and institutional capacities at the federal and subnational levels focused on *inclusiveness, resilience and sustainability,* as well as creating platforms that enable further scaling up of innovative development approaches at the subnational levels. Technical support encompasses strengthening macro and subnational policies and strategies; developing multidimensional evidence-based policy analysis, with innovations through evidence-based pilots and policy foresight; enhancing efficiencies of national and subnational mechanisms in the identification and targeting of development beneficiaries; and enhancing platforms to enable and strengthen capacities for the voice and participation of communities and enhanced participation of non-state development actors.

17. UNDP will target gender considerations across all programmes, coupled with strengthened targeting of women and vulnerable groups in the government socioeconomic programme. It will mainstream South-South cooperation as a mandatory design principle across all programmes, supplemented with strategic regional and cross-regional collaboration to support the country's engagement on the global platform, focused on sharing best practices and lessons learned on operationalizing and monitoring the sustainable development goals.

**Priority 1. Inclusive development and growth**

18. In addressing the development impact of economic and spatial restructuring underpinning growth and its implications for inclusion, the programme will focus on East Malaysia and on lagging states in Peninsular Malaysia. As vulnerabilities of households have assumed multi-dimensional characteristics, the programme goes beyond absolute income thresholds with a

[30] Economic Planning Unit, *Planning Horizon*, Accessed on 29 May 2015. http://www.epu.gov.my.

targeted focus and prioritization on the population below 40 per cent of the income deciles, alongside spatial dimensions, inter and intra-ethnic distinctions (notably indigenous communities in Peninsular Malaysia and East Malaysia), women and other vulnerable communities.[31]

19. In order to enable decentralized growth and to optimize the required economic density for rapid, inclusive and sustainable growth at the state level, new approaches are needed to fiscal federalism and reforms of federal and state agencies' institutional mechanisms for service delivery. These should include optimizing alternative service delivery mechanisms with the private sector and civil society organizations, as well as strengthening and empowering decentralized governance structures.

**Priority 1a. Enhancing, prioritizing and mainstreaming inclusion for pockets of the poor, the bottom 40 per cent of income households and vulnerable communities**

20. UNDP will support the Government in developing integrated, multidimensional policy approaches, assessments and programmes, and in strengthening federal and subnational policy coherence and technical institutional capacities. The purpose is to prioritize equitable distribution of economic growth across distinct groups and to low-income households irrespective of group membership, and to enhance accessible opportunities for economic participation and ensure safeguards for women and low-income and vulnerable communities.

21. In order to accelerate implementation effectiveness and development impact, the programme will support efforts to strengthen the identification and targeting of beneficiaries in national systems, reinforce outcome-based monitoring and evaluation of government programmes, and support the design of a comprehensive social protection framework that ensures adequate coverage and enables the full realization of the capabilities of low-income households, women and vulnerable communities, especially in the least developed states.

22. The programme will prioritize innovative approaches that enhance and mainstream the voice and participation of low-income households, women and vulnerable groups in identifying development gaps and in fostering citizen-generated evidence which will bring about policy and development changes, enhance implementation and support participatory monitoring and evaluation. In addition to continuing its support to the public sector transformation programme to rationalize and enhance the effectiveness and efficiency of the government delivery system and monitoring mechanisms, UNDP will help to establish new partnership modalities with non-state development actors in order to design and deliver innovative development solutions, with a focus on addressing the limitations of service delivery in remote and rural areas.

**Priority 1b. Reducing spatial inequalities and promote inclusive and sustainable urbanization and rural development**

23. The programme will focus on improving the socioeconomic indicators of lagging states and rural/remote communities. Priority will be on less developed states, such as Sabah, Sarawak, Kelantan, Kedah, and on urban-rural disparities. UNDP will provide support to strengthen state development strategies to reduce spatial inequalities and promote inclusive and sustainable urbanization and rural development through assessments of *state structure plans and local development plans* and by improving coherence with national policies. The programme will place emphasis on ensuring that policies, plans and programmes are risk-informed and contribute to progress on gender equality. UNDP will also support global and regional policy dialogues and capacity development programmes focused on sharing national innovations, thought leadership and development solutions on inclusive development and growth and enhancing resilience, particularly of cities and urban areas.

[31] Economic Planning Unit, *Planning Horizon*, Accessed on 29 May 2015. http://www.epu.gov.my.

**Priority 2. Sustainable and resilient development**

24. The key challenges to sustainable and resilient development centre on the urgent need to minimize the impacts of economic activity on environmental systems. These impacts are creating imbalances and putting economic growth and development at risk by decoupling economic growth from environmental degradation. The other challenge centres on the need to revalue and sustainably manage the quality of the country's natural capital, which encompasses biodiversity, land and ecosystems. Malaysia also has to urgently address the impacts of climate variability and change, particularly to low-income households and vulnerable communities, by ensuring resilience across all sectors of the economy, and by ensuring that federal and state institutions have the capacity to embed risk governance and management for sustainable development in their programmes.

25. In line with the national green growth agenda, UNDP will support the Government in addressing the issues of climate variability and change and the degradation of biodiversity in a holistic manner and through the sustainable use of resources, in close collaboration with non-state development actors. UNDP will specifically focus on multisectoral policies and programmes that strengthen low-carbon, resource-efficient, climate-resilient development that improves the quality of life and well-being of the people. It will also focus on the creation of new green economy opportunities at subnational levels to raise the income of rural and semi-urban communities while maintaining the healthy functioning of national ecosystems, through sustainability principles and by reducing environmental risks and ecological scarcities.

**Priority 2a. Enhancing national resilience to climate variability and change**

26. A key focus will be on integrating sustainability principles, such as sustainable production and consumption and eco-efficiency in policy formulation and systems across various levels of government (federal, state and local authorities), in order to enhance resilience and increase policy coherence and coordination. The other key focus will be on mainstreaming disaster risk reduction and strengthening multi-hazard risk governance. The programme will also interlink policy on cross-sectoral climate change mitigation measures, such as pursuing low carbon cities, energy efficiency in building and industrial sectors, and management of solid waste and chemical sectors, with a focus on people-centric development and a healthy environment UNDP will help the Government pursue the diversification of energy and water resources, as major inputs to economic growth, focused on the use of low carbon emission and sustainable technologies that will benefit the quality of life.

**Priority 2b. Valuing natural capital, reducing environmental impacts and improving access to quality ecosystem services for low-income households and vulnerable communities**

27. UNDP will provide evidence-based policy support at the federal and state level through innovative research, pilot projects and South-South cooperation in order to enhance awareness among policymakers and the public on the value of natural capital and its interlinkages to community needs, thereby reducing environmental impacts and improving access to quality environmental services for low-income households and vulnerable groups. By fostering an appreciation for the natural landscape and seascape as national assets, the programme will promote eco-tourism as a growth sector for community livelihoods, thereby placing traditional and ecological knowledge at the forefront of fundamental justice in receiving fair returns for future use and access. The programme will support Malaysia in addressing the challenge of policy inconsistencies at the federal and state level on issues related to deforestation and land degradation, which exacerbate disasters such as flood and landslides, by facilitating policy dialogue and action plans for policy coherence and coordination. It will prioritize gender-sensitive adaptation actions in policy formulation, as well as climate adaptability and risk management policy options for lowering risks posed by extreme weather events, especially for low-income households and vulnerable communities.

28. UNDP will support stronger national engagement in multilateral negotiations and fora to ensure Malaysia is able to share its perspectives, best practices and challenges, while at the same time helping it to customize decisions adopted at these fora for domestic implementation, in line with national development priorities and needs. The participation of the private sector, research institutions, and global development partners will be key in the programme design, implementation and evaluation of a sustainable and resilient development trajectory.

## III. Programme and risk management

29. The country programme document outlines UNDP contributions to national results and serves as the primary unit of accountability to the Executive Board for results alignment and resources assigned to the programme at the country level. The accountabilities of managers at the country, regional and headquarters levels with respect to country programmes are prescribed in the UNDP programme and operations policies and procedures and internal control frameworks.

30. The programme will be nationally executed with the coordination of the Economic Planning Unit in the Prime Minister's Department. At the request of the Government, UNDP will undertake direct implementation modalities, notably for its direct policy advisory services. A National Programme Board, encompassing project implementing ministries and other relevant non-state development actors will hold an annual programme review meeting to assess the UNDP contribution to outcome results and national development priorities.

31. The design parameters for programmes will take a portfolio approach and be operationalized through dedicated development solutions teams led by the country office and, where applicable, technically supported by the UNDP Bangkok Regional Hub, the UNDP Bureau for Programme and Policy Support, relevant UNDP global centres of excellence, and technical staff regionally and globally. UNDP will apply gender as a cross-sectoral programming agenda, incorporating clear, measurable indicators for tracking progress. It will focus on innovative programme designs that are scalable and sustainable, and on supporting the South-South cooperation agenda of sharing and learning best practices.

32. Based on the country's GNI per capita trajectory towards 2020, it is anticipated that Malaysia will attain and sustain the threshold to graduate to net contributing country (NCC) status within the period of the programme; as such, the Executive Board document "Funding of differentiated physical presence" (DP/2013/2015) will apply for that anticipated period.

33. To ensure accountability of programme and project quality, effectiveness and efficiency, UNDP will implement management responses to project evaluations and audits on a timely basis; and communicate evidence-based project results regularly, both in corporate reporting, such as the integrated results and reporting framework, and at the national level. To mitigate risks, projects will undergo a systematic review to ensure UNDP mandatory social and environmental standards are applied.

34. The primary financing challenge, attributable to Malaysia's classification as an upper-middle-income country, has in the past significantly limited strategic resource mobilization efforts with traditional bilateral donors. UNDP will work with the Government to design a partnership and resource mobilization strategy to meet resource requirements. The strategy will go beyond traditional government cost-sharing and multilateral funds by fully leveraging the capacities and resources of both state and national non-state development actors, and will establish strategic collaborations with the international financial institutions and regional development banks to finance the programming agenda. The primary programming challenge anticipated relates to the underlying dependence/reliance on the upstream policy work UNDP will undertake to sufficiently frame and chart the course for the development way forward. UNDP will manage this challenge in close collaboration with the Economic Planning Unit.

## IV. Monitoring and evaluation

35. UNDP will continue to undertake independent peer reviews of the data analysis, modelling, and data generated from its programme portfolio and national statistics. It will also continue to strengthen its strategic collaborations with national statistical and foresight institutions and its use of modelling, foresight tools and scenario planning approaches in order to support policy planning for the medium and long term, coupled with inter and intraregional analysis to benchmark socioeconomic development progress.

36. UNDP will commission independent outcome evaluations of country programme results, relying on the participation of national counterparts and key stakeholders at the national and subnational levels and creating a mutual accountability mechanism that will allow for programmatic adjustments according to the recommendations arising from each assessment. It will use the gender marker as a key tool for monitoring gender mainstreaming and targeted interventions for gender equality and women's empowerment across all programme portfolios. In collaboration with the Ministry of Women, Community and Family Development, it will strengthen gender-disaggregated data across all sectors. This data will in turn appear in the annual statistics compilations, which the Government publishes on the attainment of gender equality and women's empowerment, and will inform development programmes.

37. UNDP will ensure that monitoring functions are embedded in the programme structure and funding, working in close interaction with implementing partners in the broader monitoring and evaluation framework. During the project implementation stage, UNDP will also conduct prospective quarterly analyses to systematically review and update existing risks, thereby enabling timely decisions and management of risks and improving the impact and quality of its cooperation, both in planning and implementation.

## Annex. Results and resources framework for Malaysia (2016-2020)

**NATIONAL PRIORITY OR GOAL:** Eleventh Malaysia Plan key thrusts: (a) Enhancing inclusiveness towards an equitable society; (b) improving well-being for all and (c) transforming public service for productivity.

**PROPOSED UNSPF OUTCOME INVOLVING UNDP 1:** [32] 1.1. Effective policies and initiatives that promote socioeconomic inclusion, equity and resilience, especially for the bottom 40 per cent, are in place and implementation monitored; 1.2. National policies and programmes ensure universal access to quality education; universal health coverage; and decent work for all people in Malaysia with special attention to vulnerable groups and communities; and improved delivery of basic services to the people.

**RELATED STRATEGIC PLAN OUTCOME:** Outcome 1: Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded.

| PROPOSED UNSPF OUTCOME INDICATOR(S), BASELINES, TARGET(S) | DATA SOURCE AND FREQUENCY OF DATA COLLECTION, AND RESPONSIBILITIES | INDICATIVE COUNTRY PROGRAMME OUTPUTS *(including indicators, baselines targets)* | MAJOR PARTNERS / PARTNERSHIPS FRAMEWORKS | INDICATIVE RESOURCES BY OUTCOME (United States dollars) |
|---|---|---|---|---|
| Level of inequality as measured by Gini coefficient<br>Baseline: 0.401 (2014)<br>Target: 0.385 (2020)<br><br>Value of median income<br>Baseline: Malaysian Ringgit (MYR) 4,585 (2014)<br>Target: MYR 5,701 (2020)<br><br>Incidence of poverty among Orang Asli<br>Baseline: 31% (2015)<br>Target: 15% (2020)<br><br>Incidence of poverty reduced among female-headed households<br>Baseline: 4,1% (2010)<br>Target: 0.5% (2020)<br><br>Malaysia gender gap index<br>Baseline: 0.203 (2013)<br>Target: 0.15 (2020)<br><br>Women's labour force participation rate<br>Baseline: 53.6% (2014)<br>Target: 59% (2020) | **Government of Malaysia**<br>1. National Poverty Database (real-time)<br>2. National Indigenous People Database (real-time)<br>3. Malaysian Economy In Brief (monthly)<br>4. Statistics on Women, Family and Community (annually)<br>5. Household Income and Expenditure Survey Report (every two years)<br>6. Basic Amenities Survey Report (every two years)<br>7. Profile of the Malaysian Public Service (2015)<br>8. Malaysia Economic Indicators (monthly)<br>9. State/District Data Bank (periodically)<br>10. Urbanization and Urban Times Series Data Population and Housing Census (periodically)<br>*(Note: Gender-disaggregated data available)*<br><br>**UNDP**<br>1. UNDP *Human Development Report* and corresponding tables (annually)<br>2. Project progress reports (annually) | **Priority 1a: Enhancing, prioritizing and mainstreaming inclusion for pockets of the poor, the bottom 40 per cent of income households and vulnerable communities**<br><br>**1. Federal and state institutions responsible for socioeconomic development strengthen targeting of programme beneficiaries in the design, implementation and monitoring of programmes**<br><br>**Indicator 1.1:** Number of national and state level inclusive socioeconomic growth policies or strategies focused on reducing socioeconomic and gender inequalities.<br>Baseline: 15<br>Target: 20<br><br>**Indicator 1.2**: Number of tools and policies that measure multidimensional poverty and inequality developed and adopted to strengthen targeting of government programme beneficiaries.<br>Baseline: 1<br>Target: 3 | • Prime Minister's Department (Economic Planning Unit, Implementation Coordination Unit, and Public Service Department)<br>• Government ministries and agencies<br>• Department of Statistics<br>• State economic planning units<br>• Relevant state ministries and agencies<br>• Regional economic corridor authorities<br>• UNDP global centres of excellence<br>• UNDP Bangkok Regional Hub<br>• CSOs, academia and think-tanks<br>• Private sector and government linked foundations | **Regular 406,000**<br><br>**Other: 8,450,000**<br><br>**Government in-kind contribution: 2,000,000** |

[32] The proposed UNSPF and the relevant outcomes, outputs and indicators are indicative and currently under discussion between the United Nations country team and the Government of Malaysia.

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|---|---|---|---|---|
| | | **Indicator 1.3:** Number of alternative service delivery programmes developed with the Government, non-state development actors and local communities to enhance the provision of social services in remote and rural areas.<br>Baseline: 0<br>Target: 5<br><br>**Indicator 1.4**: Number of regional South-South policy dialogue exchanges undertaken on inclusive growth and social protection mechanisms.<br>Baseline: 0<br>Target: 3<br><br>**2. Ministries involved in socioeconomic development programmes incorporate gender analysis into programme design and budgeting and strengthen/prioritize targeting of women from low-income households to benefit from government programmes.**<br><br>**Indicator 2.1**: Number of ministries that undertake gender analysis, develop dedicated strategies/measures and gender budgeting in collaboration with non-state development actors to enhance gender equality and women's empowerment.<br>Baseline: 1 ministry<br>Target: 4 ministries<br><br>**Indicator 2.2**: Number of regional South-South policy dialogue exchanges undertaken on gender mainstreaming and policy reforms.<br>Baseline: 0<br>Target: 3 | | |
| | | **<u>Priority 1b</u>: Reducing spatial inequalities and promote inclusive and sustainable urbanization and rural development**<br><br>**3. Federal and state institutions responsible for economic and urban development improve planning capacities in the design, implementation and monitoring of programmes**<br><br>**Indicator 3.1:** Number of national and subnational policies or plans focused on | | **Regular: 400,000**<br><br>**Other: 7,100,000**<br><br>**Government in-kind contribution: 1,000,000** |

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| | | reducing inequalities and socio-economic achievements.<br>Baseline: 2<br>Target: 6<br><br>**Indicator 3.2:** Number of state level policies or plans focused on reducing gender inequalities and enhance socioeconomic achievements of women in urban and rural areas.<br>Baseline: 0<br>Target: 2<br><br>**Indicator 3.3:** Number of regional South-South policy dialogue exchanges undertaken on urbanization towards the World Urban Forum 2018.<br>Baseline: 0<br>Target: 3 | | |
| **NATIONAL PRIORITY OR GOAL:** Eleventh Malaysia Plan key thrusts: Pursuing green growth. | | | | |
| **PROPOSED UNSPF OUTCOME INVOLVING UNDP 2:**[33] Implementation of a national development agenda that enables green growth through climate-resilient measures, sustainable management of energy and natural resources, and improved risk governance. | | | | |
| **RELATED STRATEGIC PLAN OUTCOME:** Outcome 1: Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded. | | | | |
| Cumulative emission of greenhouse gasses per capita grid<br>Baseline: 7.6 tCO2e/capita[34]<br>Target: 7.5 tCO2e/capita<br><br>Cumulative total of renewable energy generation capacity connected to the grid<br>Baseline: 243 megawatts<br>Target: 2,080 megawatts<br><br>Indicator: Improved coverage of access to energy (electricity) and inclusive of underserved population in Sabah and Sarawak<br>Baseline: Sabah: 94% and Sarawak: 91% (2014)<br>Target: Sabah: 99% and Sarawak: 99% (2020) | **Government of Malaysia**<br>1. Sustainable Energy Development Authority Report (annually)<br>2. Malaysia Economic Indicators (monthly)<br>3. National Security Council Report (periodically)<br>4. Forestry Department Report (annually)<br>5. Assessment of data collection instruments and indicators (periodically)<br>**UNDP**<br>1. UNDP *Human Development Report* and corresponding tables (annually)<br>2. Project progress reports (annually) | **<u>Priority 2a</u>: Enhancing national resiliency to climate variability and change**<br><br>**1. Innovative mitigation actions which promote the use of clean technology for energy generation, including the extension of basic services for the underserved population adopted**<br><br>**Indicator 1.1:** Number of climate change mitigation actions which are funded and implemented in line with United Nations Framework Convention on Climate Change (UNFCCC)<br>Baseline: 0<br>Target: 5<br><br>**Indicator 1.2:** Number of inclusive and sustainable solutions adopted to achieve | • Prime Minister's Department (Economic Planning Unit)<br>• Government ministries and agencies<br>• Department of Statistics<br>• State economic planning units<br>• State governments and local authorities<br>• Regional economic corridor authorities<br>• UNDP global centres of excellence<br>• UNDP Bangkok Regional Hub<br>• United Nations Sustainable Energy for All Global Initiative<br>• United Nations International | **Regular: 50,000**<br><br>**Other: 10,000,000**<br><br>**Government in-kind contribution: 5,000,000** |

[33] The proposed UNSPF and the relevant outcomes, outputs and indicators are indicative and currently under discussion between the United Nations country team and the Government of Malaysia.

[34] Tons of carbon dioxide equivalent per capita.

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| Percentage of households impacted by natural or climate-induced disaster reduced<br>Baseline: 10,000 household<br>Target: 10% reduction<br><br>Number of communities with disaster risk reduction/resilience plans, measures and/or practices in place<br>Baseline: 0<br>Target: 500<br><br>Number of adaptation actions and mechanisms implemented<br>Baseline: 0<br>Target: 5 | | universal modern energy access for the underserved populations attributable to the scaling up of renewable energy projects<br>Baseline: 0<br>Target: 5<br><br>**Indicator 1.3:** Number of regional South-South policy dialogue exchanges undertaken on adopting and designing climate change strategies.<br>Baseline: 0<br>Target: 2<br><br>**2. National action on climate adaptability, including disaster risk reduction strengthened**<br><br>**Indicator 2.1:** Number of disaster risk reduction frameworks that incorporate disaster and climate-induced risk management, and which address the particular needs of women, the differently abled, and other vulnerable groups.<br>Baseline: 0<br>Target: 2<br><br>**Indicator 2.2:** Number of developed adaptation actions and strategies that strengthen climate resilience at the national and subnational including local communities<br>Baseline: 0<br>Target: 5 | Strategy for Disaster Reduction<br>• United Nations Office for the Coordination of Humanitarian Affairs<br>• CSOs, academia and think-tanks<br>• Private sector and government-linked foundations | |
| Number of legal and regulatory frameworks, policies and institutions enabled to ensure the conservation, sustainable use, and access and benefit-sharing of natural resources, biodiversity and ecosystems, in line with international conventions and national legislation<br>Baseline: 0<br>Target: 1<br><br>Amount of valuation exercise in United States dollars, including the establishment of natural capital/financing trust fund<br>Baseline: 0<br>Target: $5,000,000 | | **<u>Priority 2b</u>: Value natural capital, reduce environmental impacts and improve access to quality ecosystem services**<br><br>**3. Ecosystem services/resources as national assets are economically valued and lead to effective mainstreaming of biodiversity into development**<br><br>**Indicator 3.1**: National accounting system that integrates biodiversity and ecosystem services (carbon, water, fisheries) and economic values is adopted.<br>Baseline: 0<br>Target: 1<br><br>**Indicator 3.2:** Number of public and non-public finance for biodiversity and | | **Regular: 50,000**<br><br>**Other: 12,000,000**<br><br>**Government in-kind contribution: 5,000,000** |

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| Number of hectares and areas demonstrating sustainable use/multi-use practices<br>Baseline: 0<br>Target: 30,000<br><br>Number of households benefiting from application of traditional knowledge/access and benefits shared<br>Baseline: 0<br>Target: 200 | | ecosystems is established<br>Baseline: 1<br>Target: 3<br><br>**Indicator 3.3**: Number of regional South-South policy dialogue exchanges undertaken on natural resource valuation, management and mainstreaming.<br>Baseline: 1<br>Target: 2<br><br>**4. Natural resources management enhanced with institutional capacity strengthened and communities and low-income households benefitting**<br><br>**Indicator 4.1**: Number of sectoral and subnational policies/frameworks for biodiversity management adopted by 2020.<br>Baseline: 1<br>Target: 10<br><br>**Indicator 4.2**: Number of community-based biodiversity conservation projects developed/replicated that lead to increased productive capacities that are sustainable and generate employment for low income households and vulnerable communities.<br>Baseline: 0<br>Target: 3 | | |